

Approved For Release 2008/12/08 : CIA-RDP85-01156R000200230027-2

Copied to:

DCI/SA/IA

Approved For Release 2008/12/08 : CIA-RDP85-01156R000200230027-2

EXECUTIVE SECRETARIAT

Routing Slip

TO:		ACTION	INFO	DATE	INITIAL
1	DCI				
2	DDCI				
3	EXDIR				
4	D/ICS				
5	DDI				
6	DDA				
7	DDO				
8	DDS&T				
9	Chm/NIC				
10	GC				
11	IG				
12	Compt				
13	D/EEO				
14	D/Pers				
15	D/OEA				
16	C/PAD/OEA				
17	SA/IA				
18	AO/DCI				
19	C/IPD/OIS				
20	DDT		✓		
21	NIO/ECON		✓		
22					
SUSPENSE		Date			

Remarks:



Executive Secretary

10/18/83

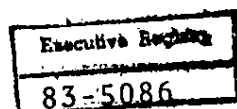
Date



OFFICE OF THE SECRETARY OF THE TREASURY

WASHINGTON, D.C. 20220

October 18, 1983



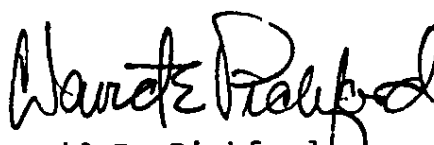
DDI- 7544/83

UNCLASSIFIED
(With Confidential Attachment)

MEMORANDUM FOR THE VICE PRESIDENT
THE SECRETARY OF STATE
THE SECRETARY OF DEFENSE
THE ATTORNEY GENERAL
THE SECRETARY OF AGRICULTURE
THE SECRETARY OF COMMERCE
THE DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET
✓ DIRECTOR OF CENTRAL INTELLIGENCE
UNITED STATES TRADE REPRESENTATIVE
ASSISTANT TO THE PRESIDENT FOR
NATIONAL SECURITY AFFAIRS
CHAIRMAN, COUNCIL OF ECONOMIC ADVISORS
ASSISTANT TO THE PRESIDENT FOR CABINET AFFAIRS
ASSISTANT TO THE PRESIDENT FOR POLICY DEVELOPMENT
ASSISTANT TO THE PRESIDENT & DEPUTY TO THE CHIEF
OF STAFF
AGENCY FOR INTERNATIONAL DEVELOPMENT

SUBJECT Senior Interdepartmental Group on
International Economic Policy

Attached are the minutes of the SIG-IEP meeting held on
October 7.


David E. Pickford
Executive Secretary

Attachment

UNCLASSIFIED
(With Confidential Attachment)

SENIOR INTERDEPARTMENTAL GROUP-INTERNATIONAL ECONOMIC POLICY

2:00 p.m.
October 7, 1983
Room 208

Old Executive Office Building

Attendees:

Treasury

Secretary Regan, Chairman
Marc Leland

Office of the Vice President

Admiral Dan Murphy
Donald Gregg

State

W. Allen Wallis
Richard McCormack

Defense

Stephen Bryen
William J. Weida

Justice

Jonathan Rose
J. Michael Shepherd

Agriculture

Secretary Block
Jhani Laupus

Commerce

Lionel Olmer
Michael Zacharia

CIA

Maurice Ernst

OMB

Joseph Wright
Alton Keel

USTR

William Brock
Michael Smith

CEA

William Niskanen
Jeffrey Frankel

White House

Richard Darman

Cabinet Affairs

Larry Herbolsheimer

OPD

John Svahn
Roger Porter

AID

Richard Durham

NSC

Norman Bailey
Roger Robinson
Richard Levine

International Finance Corporation

The first issue addressed by the Chairman was the International Finance Corporation.

The discussion centered on the need for the U.S. to stress entrepreneurship and the private sector. Questions were raised concerning the situation wherein bank lending could be channeled to companies with a large government-held interest. It was noted that the IFC may be requesting a five-year \$750 million capital increase.

CONFIDENTIAL

DECLASSIFY: OADR

International Debt Update

The Chairman began with a discussion of the Philippine situation. The Philippine Foreign Minister was still in Washington at the time of the SIG meeting trying to pin down an IMF program for his country. He was also meeting with the President of the World Bank. If the Philippines meet the conditions of the IMF plan, then they could expect a World Bank loan of between \$200-250 million. It was further noted that an IMF team was soon to be in the Philippines. The Chairman noted that the Department of State felt strongly that the Philippines was deserving of financial support. The Philippines has also asked for Export-Import Bank support and funding for their nuclear power program.

The Chairman noted that Argentina was having difficulty regularizing its debt situation. It was pointed out that an Argentina judge had declared the rescheduling of the debt of Argentina Airlines illegal. A discussion then took place concerning the internal situation in Argentina and the possible repercussions to the American banking system if Argentina could not get disbursement by IMF and bank funds by the end of the year.

Brazil's financial situation was reviewed and it was noted that banks are putting together a \$6.5 billion package and the governments \$2.5 billion package. No action would be taken until IMF approval which could only come after approval in Brazil of the new wage law.

The Chairman discussed his meeting with President Mubarak. It was noted that the Egyptians want another wheat flour and dairy sale. The Chairman requested that a staff level interagency group look into pros and cons of giving some of the dairy surplus to Egypt.

It was further noted that Morocco has requested a Paris Club rescheduling and that a donors group would then be set up.

Report on IMF/IBRD Annual Meeting

The Chairman noted that the atmosphere at the Washington meeting was much better than in Toronto. Most of the Finance Ministers believed the world recovery was underway. There was criticism of the strong dollar; oil importing nations noted that they had to pay for oil in dollars. The President's speech was very well received by all Finance Ministers.

Export Administration Act

Commerce then reviewed the state of play on EAA renewal in the House and Senate. Commerce noted that while the House was probably willing to further extend the EAA, the Senate was reluctant to do so. If the Senate refused, the matter was to be revealed at the next SIG meeting.

CONFIDENTIAL